



Distillate Watch

March 21, 2001

Energy Information Administration
Office of Oil & Gas

SUPPLY

- A sizable increase in distillate demand along with flat production pushed total stocks lower last week. Total distillate inventories decreased to 110.7 million barrels (MMB) on March 16, 2001, 3.6 MMB below the previous week but 10.0 MMB more than a year ago. Distillate stocks are within the average range for this time of year. Heating oil stocks dropped 2.6 MMB to 40.9 MMB, but are 2.0 MMB higher than last year. East Coast (PADD 1) heating oil inventories fell by 1.8 MMB for the week to 20.3 MMB with New England and the Central Atlantic recording declines. Diesel fuel inventory totaled 69.8 MMB, dropping by 1.1 MMB from last week but totaling 7.9 MMB more than last year. Total distillate production was steady at 3.6 million barrels per day (MMBD). Imports increased to 0.4 MMBD, a gain of 26 thousand barrels per day from last week. Demand climbed by almost 0.4 MMBD to 4.3 MMBD.

Distillate Production by Petroleum Administration for Defense District (Thousand Barrels per Day)

District	Total Distillate Week Ending					High Sulfur (Greater than 0.05% Sulfur) Week Ending				
	02/23/01	03/02/01	03/09/01	03/16/01	03/17/00	02/23/01	03/02/01	03/09/01	03/16/01	03/17/00
East Coast (PADD I)	475	505	478	479	461	347	275	228	254	251
Midwest (PADD II)	889	847	869	853	820	231	181	189	176	226
Gulf Coast (PADD III)	1,664	1,678	1,617	1,661	1,660	509	462	509	537	473
Rocky Mountain (PADD IV)	147	141	141	135	132	32	26	31	22	30
West Coast (PADD V)	425	523	500	483	405	83	108	92	97	71
U.S. Total	3,600	3,694	3,605	3,611	3,478	1,202	1,052	1,049	1,086	1,051

Distillate Stocks¹ by Petroleum Administration for Defense District (Million Barrels)

District	Total Distillate Week Ending					High Sulfur (Greater than 0.05% Sulfur) Week Ending				
	02/23/01	03/02/01	03/09/01	03/16/01	03/16/00	02/23/01	03/02/01	03/09/01	03/16/01	03/16/00
East Coast (PADD I)	43.3	41.6	37.5	35.1	31.2	27.0	26.1	22.1	20.3	18.8
PADD IX	6.7	5.8	5.4	5.1	4.8	5.1	4.1	3.9	3.7	3.4
PADD IY	24.1	23.4	21.1	18.8	16.5	17.1	16.2	13.6	11.9	11.0
PADD IZ	12.5	12.4	11.0	11.2	9.9	4.7	5.7	4.6	4.7	4.3
Midwest (PADD II)	28.9	29.6	29.7	29.1	29.0	8.7	8.3	8.2	8.3	8.8
Gulf Coast (PADD III)	30.3	29.4	31.0	30.6	26.0	11.0	9.7	10.5	9.5	8.4
Rocky Mountain (PADD IV)	3.2	3.3	3.3	3.2	3.1	0.4	0.4	0.4	0.4	0.4
West Coast (PADD V)	10.9	11.8	12.7	12.7	11.4	2.5	2.5	2.3	2.4	2.5
U.S. Total	116.6	115.6	114.3	110.7	100.7	49.5	47.0	43.5	40.9	38.9

¹ Distillate fuel oil stocks held in the Northeast Heating Oil Reserve are not included. For details, see Appendix D in the *Weekly Petroleum Status Report*.

For information about distillate supply data, contact the National Energy Information Center at (202)586-8800. Internet:Infoctr@eia.doe.gov.
Source: Energy Information Administration, *Weekly Petroleum Status Report (WPSR)*.

PRICES

- Distillate spot and futures prices dropped solidly over the past week, outpacing a decline in crude oil prices. World oil markets continued to focus on a potential OPEC output cut leading up to Friday's meeting in Vienna, but the expected size of the quota reduction was fully reflected in prices by the time the decision was announced, allowing markets to decline further on Monday. The New York Harbor spot price for heating oil dropped 5.10 cents for the week to 68.78 cents per gallon, while the Los Angeles CARB diesel fuel spot price fell 3.50 cents to 83.00 cents per gallon.
- The national average retail on-highway diesel fuel price decreased for the seventh straight week, falling 1.4 cents to 139.2 cents per gallon as of March 19, 2001, 8.7 cents lower than a year ago, and the lowest level since January 2000. The residential heating oil price continued a downward slide through the week of March 19, 2001. The average residential price dropped 2.1 cents, from 142.8 to 140.7 cents per gallon. Compared to last year, the residential price was up 5.4 cents over the March 20, 2000 price of 135.3 cents per gallon.

No. 2 Distillate Spot Prices by City (Cents per Gallon)

City	Low-Sulfur Distillate					High-Sulfur Distillate				
	02/26/01	03/05/01	03/12/01	03/19/01	03/20/00	02/26/01	03/05/01	03/12/01	03/19/01	03/20/00
New York	75.05	75.90	74.60	69.70	69.33	74.20	74.90	73.88	68.78	68.96
Chicago	79.93	78.10	74.93	72.10	75.71	NA	NA	NA	NA	NA
Houston	76.93	74.85	72.05	65.48	67.50	72.18	71.58	70.43	64.60	65.21
Los Angeles (CARB)	91.00	89.00	86.50	83.00	96.00	NA	NA	NA	NA	NA

Source: Reuters Information Services.

No. 2 Distillate Retail Prices by Petroleum Administration for Defense District (Cents per Gallon, Including Taxes*)

District	On-Highway Diesel Fuel					Residential Heating Oil				
	02/26/01	03/05/01	03/12/01	03/19/01	03/20/00	02/26/01	03/05/01	03/12/01	03/19/01	03/20/00
East Coast (PADD I)	146.9	142.6	142.0	140.0	148.5	148.2	146.4	145.0	142.8	137.2
PADD IX	157.0	155.7	154.6	152.3	154.9	145.1	142.8	141.5	139.2	131.9
PADD IY	154.1	150.8	150.0	148.6	157.4	151.2	149.9	^R 148.7	146.4	141.8
PADD IZ	142.8	137.9	137.4	135.2	144.1	144.2	140.9	^R 137.9	136.8	131.8
Midwest (PADD II)	142.8	139.4	138.1	136.7	146.0	130.6	127.8	126.0	124.4	119.0
Gulf Coast (PADD III)	139.2	136.7	134.7	132.9	142.1	NA	NA	NA	NA	NA
Rocky Mountain (PADD IV)	150.4	149.1	147.8	146.8	150.7	NA	NA	NA	NA	NA
West Coast (PADD V)	155.7	154.8	152.2	152.5	160.9	NA	NA	NA	NA	NA
California	161.2	160.0	159.8	158.8	164.9	NA	NA	NA	NA	NA
U.S. Average**	145.1	142.0	140.6	139.2	147.9	146.2	144.3	^R 142.8	140.7	135.3

Source: Diesel Fuel prices: Energy Information Administration, Form EIA-888, On-Highway Diesel Price Survey; Residential Heating Oil prices for PADDs I and II: from data supplied by 21 State Energy Offices (SHOPP prices) from October through mid-March.

* Taxes, if any, are not included in residential heating oil prices.

** Residential heating oil average is for PADDs I and II only.

NA = Not Available.

R = Revised.

For information about price data, contact the National Energy Information Center: 202-586-8800; Internet: Infoctr@eia.doe.gov.